

DARIEN AFFORDABLE HOUSING PLAN

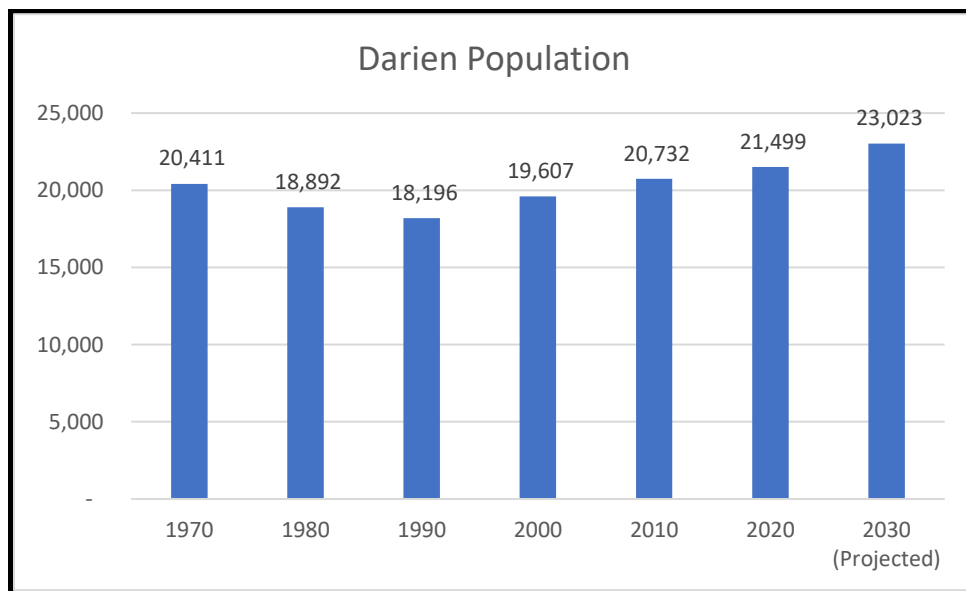
Chapter 3 Housing Needs Assessment

First Draft

June 9, 2022

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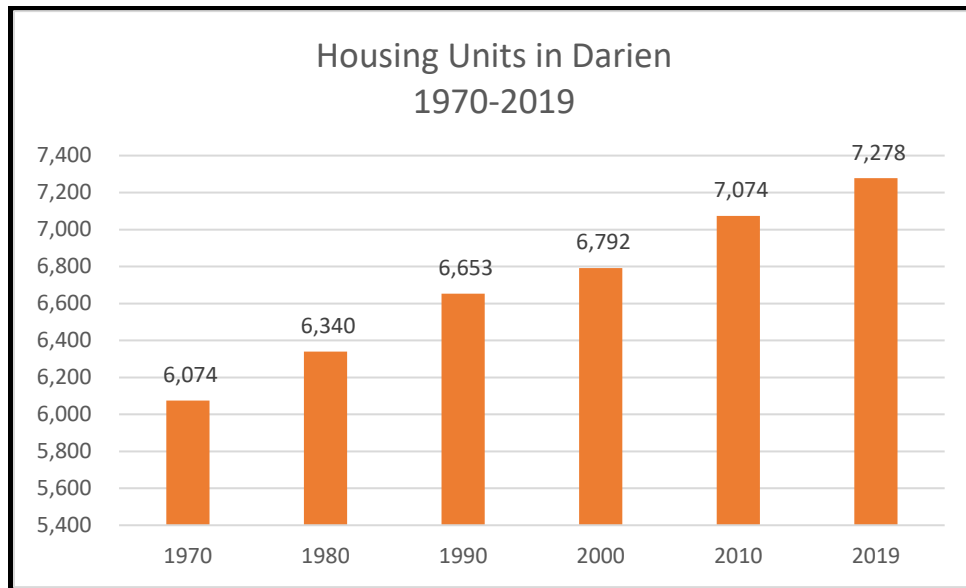
Darien is a highly desirable place to live. It has excellent schools, a low crime rate, social, cultural and recreational activities, easy access to employment opportunities and medical facilities, wonderful parks, and many other attributes that result in Darien being a place where many people want to be. The local real estate market reflects the high demand and the limited supply.



Source: Western Connecticut Council of Governments (WestCOG).

The population of Darien has been relatively stable for many years. In 1970, the population was 20,421 but dipped slightly to below 19,000 in 1980 and 1990. It rose to 19,607 in 2000 and to 20,732 in 2010 and 21,499 in 2020. In 50 years, the population of Darien has risen only by 1,088, a mere 5.28%, over that period.

During the same time period (1970-2020), the number of dwelling units increased from 6,074 in 1970 to 7,278 in 2019. There are 1,204 more housing units than 50 years ago, a 19.8% increase. Most of that increase is attributable to the construction of condominiums and apartments. Note that the 2020 Census figures for number of housing units has not been released as of this writing.

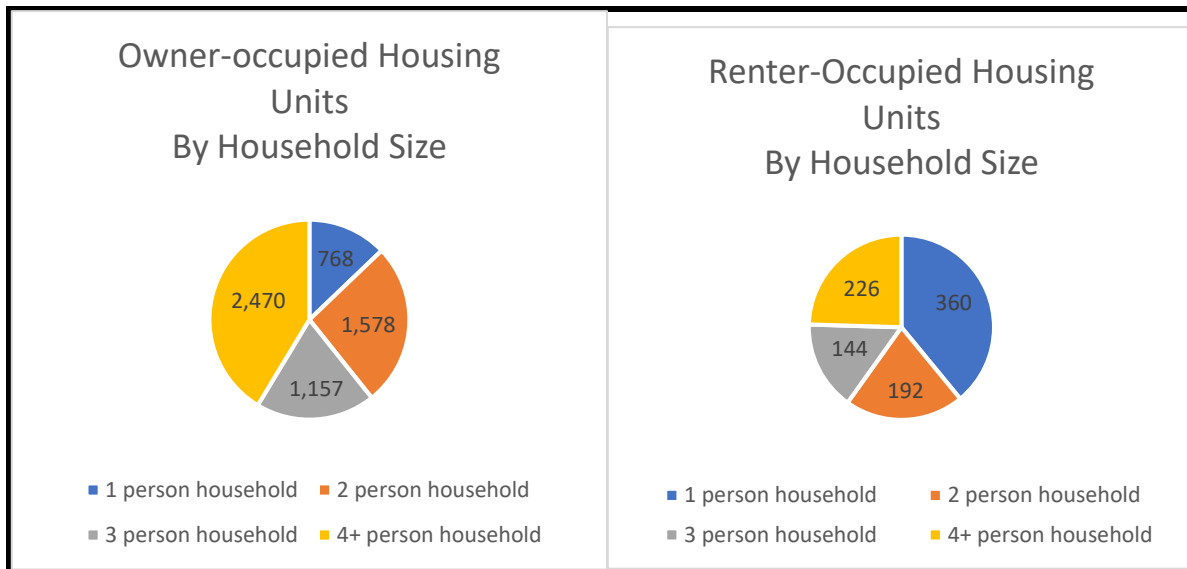


Source: Western Connecticut Council of Governments (WestCOG)

Household size has dropped from 3.36 persons per dwelling in 1970 to 2.95 persons per household in 2020. This is due to a number of cultural and sociological factors: many long-time homeowners have aged in place and their children have moved away from home; divorce rates are higher; a greater number of people are choosing to live by themselves or with a significant other, but without children; and many couples are delaying having children and starting a family.

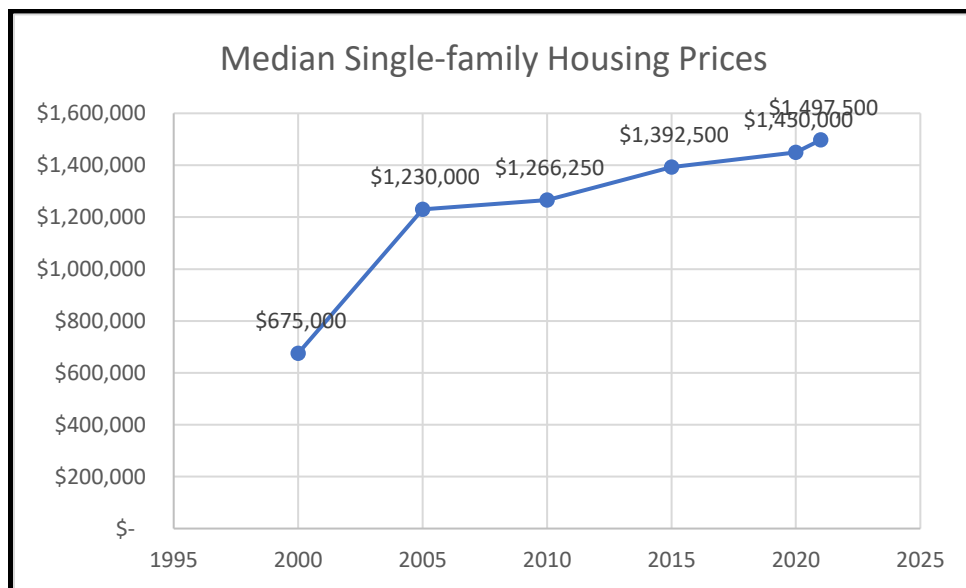
In Darien, the increase in the number of housing units and the drop in the household size can also be attributed to the changes to the Zoning Regulations that allowed multi-family housing in the 1980s and subsequent years. Without those changes, which provided a greater diversity of housing types and sizes, the number of dwellings would not have increased by as much and the population of Darien probably would not have rebounded to exceed its 1970 figure.

In the 1980s, the Planning and Zoning Commission adopted zoning amendments that allowed multi-family housing as an alternative to business development along portions of the Boston Post Road (Route 1) and some of the adjacent properties that were likely to be redeveloped. In drafting the regulations, the Commission made a conscious decision to have a greater number of small units rather than a fewer number of large units. In the Designed Multi-Family Residential (DMR) zone, it limited the average size of the dwelling units to 1,200 square feet. This limitation helped to keep the cost of the units (relatively) low. In some cases, the units were constructed with unfinished basements to be used for utilities and storage. Other units were designed with attached garages. These spaces were not counted as finished space nor were they marketed as being potential finished space. Yet, over the next 30 years, some tenants and owners have sought to, (and in a few cases without permits, actually made changes to) convert these spaces into finished living space, thus increasing the unit size and value.



Source: Western Connecticut Council of Governments (WestCOG)

Approximately 60% of Renter occupied housing have one or two person households. Conversely, approximately 60% of Owner occupied housing have 3 or more person households. Housing size varies significantly by tenure, with renter occupied units generally having smaller household sizes.



Source: Western Connecticut Council of Governments (WestCOG)

The median cost of a single family home in Darien has more than doubled in the past two decades. In 2000 it was \$675,000. By 2020 it was \$1,450,000. Since then, the cost of housing in Darien continued to accelerate due to COVID and with the low mortgage interest rates of recent years. An April 2022 Zillow.com report is that home values in Darien increased by 16% in the past year and

have reached a new high with the median value of a single family home being \$1,720,306. Rental units in Darien are limited in number and are also expensive.

There are 2,190 (or 31.7%) cost burdened households in Darien. They spend more than 30% of their gross monthly income on housing expenses. 57.5% of the renters in Darien spend more than 30% of their income on housing. 27.8% of homeowners spend more than 30% of their income on housing.

Monthly Housing Costs As A Percentage of Household	Occupied Housing		Owner-Occupied Housing		Renter-Occupied Housing	
Income in the Past 12 months	Units	%	Units	%	Units	%
Less Than \$20,000	306	4.5%	193	3.2%	113	12.8%
Less than 20 Percent	0	0.0%	0	0.0%	0	0.0%
20-29 Percent	0	0.0%	0	0.0%	0	0.0%
30 percent or more	306	4.5%	193	3.2%	113	12.8%
\$20,000-\$34,999	252	3.7%	149	2.5%	103	11.7%
Less than 20 Percent	0	0.0%	0	0.0%	0	0.0%
20-29 Percent	39	0.6%	26	0.4%	13	1.5%
30 percent or more	291	4.3%	175	2.9%	90	10.2%
\$35,000 to \$49,999	225	3.3%	138	2.3%	87	9.9%
Less than 20 Percent	0	0.0%	0	0.0%	0	0.0%
20-29 Percent	37	0.5%	37	0.6%	0	0.0%
30 percent or more	188	2.7%	101	1.7%	87	9.9%
\$50,000-\$74,999	432	6.3%	285	4.8%	147	16.6%
Less than 20 Percent	31	0.5%	15	0.3%	16	1.8%
20-29 Percent	105	1.5%	62	1.0%	43	4.9%
30 percent or more	296	4.3%	208	3.5%	88	10.0%
\$75,000 or more	5630	82.2%	5197	87.2%	433	49.0%
Less than 20 Percent	3491	51.0%	3302	55.4%	189	21.4%
20-29 Percent	952	13.9%	860	14.4%	92	10.4%
30 percent or more	1187	17.3%	1035	17.4%	152	17.2%
Zero or Negative Income	20	0.3%	11	0.2%	9	1.0%
No Cash Rent	30	0.4%	X	X	30	3.4%

Source: Western Connecticut Council of Governments (WestCOG).

The biggest impediment to creating more housing and lower cost housing in Darien is the limited amount of land that is available. High land cost inhibits naturally occurring affordable housing. Existing older homes are frequently bought by investors or builders who renovate and add to them to the maximum extent allow by the Regulations so that that they can maximize their return on investment as they resell or rent the dwelling. This eliminates the availability of moderate cost entry level housing for first time home buyers and ‘middle’ housing.

Progress towards 10% Affordable Housing CGS 8-30g							
<u>Year</u>	<u>Governmentally Assisted Units</u>	<u>Tenant Rental Assistance</u>	<u>CHFA/USDA Mortgages</u>	<u>Deed Restricted</u>	<u>Total Assisted</u>	<u>Census Housing Units</u>	<u>Percent Affordable</u>
2002	83	0	4	0	87	6,792	1.28%
2005	91	0	1	32	124	6,792	1.83%
2010	91	0	1	80	172	6,792	2.53%
2015	136	6	1	95	238	7,074	3.36%
2020	136	10	2	104	252	7,074	3.56%

Source: Western Connecticut Council of Governments (WestCOG).

Although considerable progress has been made in achieving more affordable housing in Darien, much more work is needed. Approximately 455 more affordable housing units will need to be created to reach the target of 10% as noted in Connecticut General Statutes Section 8-30g. That number will increase as the total number of dwellings in the community increases.